



Memorandum

City of Tempe

AGENDA ITEM IRS #2

DATE 01-15-04

DATE: January 8, 2004

TO: Mayor and Council

FROM: Stephen Zastrow, Mayor's Chief of Staff (x8422)

THROUGH: Randy Gross, Community Relations Manager (x8844)

SUBJECT: Presentation of the Mayor's "Destination: Tempe!" Task Force Report

Stephanie Nowack of the Tempe Convention and Visitors Bureau will present the Mayor's "Destination: Tempe!" Task Force Report. Members of the Task Force will also be in attendance. Please contact me at (480) 350-8422 if you would like to discuss this issue in more detail and/or if you have any questions regarding the attached information.

Infrastructure

5

keys...

Events

to unlock the future of “Destination: Tempe!”

Image

January 15, 2004

Communication

Presented by:

The Mayor’s “Destination: Tempe!” Task Force

Stephanie Nowack
Chairperson

Incentive

Executive summary

“Our happiest moment as tourists always seem to come when we stumble upon one thing while in pursuit of something else.”

*Steve Zikman
The Power of Travel*

Background

Tempe is committed to being a desired destination—a destination that visitors, business travelers and valley residents choose because it is unique, authentic, vibrant, energetic and welcoming.

In February 2003, Mayor Neil Giuliano, during his State of the Community Address, called for the creation of a community task force to identify new opportunities with regard to tourism and investigate potential means to attract new events and visitors to Tempe. At the invitation of the Mayor, representatives from the downtown and business community, the resort community, the retail community, airlines, developers and event promoters assembled to create the “Destination: Tempe!” task force (Appendix A).

Methodology

On May 28, 2003, the task force, in its inaugural meeting with the Mayor and City Council, received its formal charge to answer the questions, **“Why will people come to Tempe in 10 years? And what does Tempe need to do in order to advance its image and reputation as a unique destination?”**

The task force, chaired by Stephanie Nowack, President of the Tempe Convention and Visitors Bureau, and aided by professional staff from the city, the Tempe Chamber and the Downtown Business Community, set out on an eight month process consisting of data collection and research, presentations from regional leaders, monthly topic meetings and focus groups.

The task force convened monthly beginning in June and with the goal of presenting its findings to the City Council in January of 2004. The task force focused on six topics of importance.

June	Identification of six key themes and Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis for each theme
July	Signature Events
August	Image of Tempe
September	Amateur Sports
September	Development/redevelopment
October	ASU
November	Business Education/Community Awareness
December	Discussion of Final Recommendations

The meetings followed the subsequent format:

- Summary of the SWOT analysis for the day's topic
- Presentation by guest speakers (Appendix B) with expertise in each area
- Team discussion and identification of key findings
- Summary of recommendations

Monthly meetings also were followed by focus group discussions and follow-up interviews with guest speakers and key stakeholders.

Key findings

Tempe, over the years, has successfully and intentionally created a unique niche as a destination for shopping, entertainment, large national and international events, and as an urban center for recreation and downtown living. However, to maintain its "destination status," Tempe must respond to changing markets and evolve as the valley evolves.

Tempe's evolution and continued success as a destination will depend on how leaders address five key issues, or what the Task Force identified as the "5 keys." They are:

- 1. Infrastructure**
- 2. Events**
- 3. Image**
- 4. Communication**
- 5. Incentive**

Although Tempe is currently the local leader in terms of size, scope and sheer number of community events, other communities as they mature are beginning to invest in event venues and downtown entertainment that will create added competition for visitors and events themselves. Tempe must invest in infrastructure to enhance existing events and attract new events such as amateur athletics, cultural events and "on-water" events on Town Lake that capitalize on the uniqueness of Town Lake and Tempe.

Just as important as Tempe's infrastructure is its image. While we must create mechanisms for effective and consistent communication, our image cannot be shaped by slick marketing or clever catch phrases. Our image is dependent on the physical community that we create. We must present an inviting climate and environment for everyone. Accordingly, aging retail centers and neighborhoods must continuously participate in reinvestment programs. Arizona State University and Tempe must both create significant gateways and physical features that announce the campus or community to visitors. And city policies must encourage

**Invest now to be
positioned for the
future!**

creative development and redevelopment and provide incentives for businesses to locate and thrive in Tempe.

These issues must be addressed in the short term by Tempe's leadership in order to maintain its "Destination Status" 10 years from now; and Tempe must be willing to invest now to be positioned for the future. The following report provides a road map dedicated to this purpose and to meeting the goals identified as "Five keys to Tempe's future."

Key #1 Infrastructure

Invest in facilities and infrastructure to support enhancement of existing events and to attract new events to Tempe.

Events are the biggest contributor to our destination status. Tempe, however, is currently incapable of playing host to multiple large events in the Town Lake area. Further, Tempe does not have the facilities for locating midsize conventions or large amateur athletic tournaments. Investments need to be made in the infrastructure of Beach Park and the Town Lake area to enhance the success and enjoyment of existing events and to attract new events to the area. It is imperative that the city of Tempe participate financially by making these items a priority in the city's budget process.

Action items

- 1) Secure developer/finance partner to develop a resort-style, technology-equipped, hotel with a minimum of 500 rooms and 80,000 to 100,000 square feet of flexible space.** Tempe is unable to play host to meetings or conventions in excess of 400 participants at one location. As an example, the numerous academic departments at Arizona State University participate in a wide variety of industry conferences that could provide a dedicated source of visitors to Tempe if they could be accommodated. With the new focus on Bio sciences at ASU and in the valley, there is an additional opportunity to capture this new market.
- 2) Allocate funds within the CIP budget to contribute toward the construction of sports facilities which include at least 80,000 square feet of indoor space with wood floors and outdoor space which could accommodate a minimum of 12 to 16 soccer fields and 4 to 6 baseball/softball fields.** The amateur sports market, especially youth sports, is an active, vital market which continues to travel even during an economic downturn. There is a real interest from numerous sports organizations, especially boys and girls basketball, to hold tournaments in Tempe. Tempe is losing these tournaments and the economic impact they generate because of a lack of facilities which are available and affordable.

- 3) **Apply for Tourism and Sports Authority funding to support construction of a sports facility.**
- 4) **Dedicate a portion of the funds from the sale of the BLM land to support the construction of sports facilities.** A decision must be made by City Council to invest in projects which have the potential to generate long term, sustained revenue.
- 5) **Build the Boathouse in partnership with ASU.** Currently, there is no ability to accommodate an "On Water Event" from the north side of Town Lake. Current water events do not have an adequate venue for on-site event activities such as registration, officiating, staging, awards ceremonies and pre/post event gatherings. Most often, these activities take place with rented shade tents and generators on the undeveloped north bank in less than ideal conditions. More importantly, the potential for rowing to join ASU's Intercollegiate Athletics program is greatly hindered because ASU does not control lakefront property. The university's property on Town Lake is functionally "cut off" from the water's edge by the linear park system on the south bank. The ASU club rowing program has a membership of more than 80 students, but has no way of getting more than about 20 students on the water on any given day due to the lack of storage and dock facilities.
- 6) **Complete the public amenities around Town Lake including the linear park / pedestrian bridge, bike paths and a picnic plaza / beer gardens.** The completion of these amenities will create a more functional and attractive atmosphere and will draw additional park users to the Town Lake area on a regular basis. In addition, the construction of a multi-use event area/"beer garden" will allow major event promoters to incorporate VIP or 21 and over sections in events at beach park without incurring additional costs for fencing. This also will allow smaller parties to hold private catered events without disturbing the remainder of park patrons. By reducing production costs, these enhancements will make it possible for more events to be located at Town Lake.
- 7) **Invest in Tempe Beach infrastructure improvements which can enhance the park as an event venue.** Specifically, placing additional power in key locations would eliminate the need for generators; and adding potable water for vendors and additional restrooms for larger crowds would significantly contribute to the park's appeal. Structurally, lowering the amphitheatre and adding a permanent fence would save costs in the long run.
- 8) **Support upgrades to Diablo Stadium to secure a new Spring Training team.**
- 9) **Work with Arizona Mills regarding attraction of new retail and the building of a covered, multi-level parking structure.**

**Long-term
destination
leadership
requires
upgraded and
new facilities.**

10) Support the efforts of the Rio Salado Town Lake Foundation to seek corporate and individual gifts. These efforts are essential to enhance the Rio Salado so that it can emerge as the finest public space in urban Arizona.

Long term strategies

- Build linkages - a pathway which connects ASU, Mill Avenue, Tempe Town Lake and Papago Park. The city and ASU should partner in the development of ASU's campus transit plan to further build connectivity between campus and community. The city of Tempe must improve pedestrian linkages from the stadium and campus to Town Lake and Papago Park. Staff should investigate the potential for a College Avenue extension.
- With ASU, identify opportunities for collective, cooperative investments such as parking, the Institute for Children's Arts and wood courts at ASU.
- Maintain strategic focus on construction of light rail.

**Partnership is
also essential to
long-term
success.**

Key #2 Events

Actively pursue and capture significant share of regional and national signature events by responding proactively to changes in the market.

For the purpose of discussion, the task force defined a signature event as an activity or series of activities which:

- ✓ reoccur – preferably annually
- ✓ provide economic impact, especially in the form of hotel/sales tax revenue to the city
- ✓ enhance exposure and visibility of Tempe
- ✓ add to Tempe's quality of life and have a broad, public appeal
- ✓ appeal to a variety of interests
- ✓ differentiate Tempe as unique and distinct

Tempe is the valley leader in terms of events, especially in the number of locally-sited community events. However, with the pending move of the Fiesta Bowl and the Arizona Cardinals, coupled with the construction of new venues in other valley cities, Tempe

must be prepared to invest staff and financial resources in seeking new events to maintain its position in the market.

Action items

- 1) **Pursue the Insight Bowl through partnership with Arizona State University.** The Insight Bowl contract with Bank One Ball Park expires in 2005 providing an opportunity for Sun Devil Stadium to become its new home in 2006.
- 2) **Enhance existing and pursue new national “on water events” that capitalize on the uniqueness of Town Lake. Capitalize on a growing interest in rowing by enhancing the Desert Sprints Regatta and continuing to attract additional nationally-recognized athletes.** Seek to add a water ski or wakeboard event by identifying a corporate partner such as Banana Boat.
- 3) **Pursue national or international cultural events such as a Film Festival, Science Fair with participation by world renowned scientists and the Native American POW WOW.**
- 4) **Create, with ASU, an international awards program to recognize advancements in Bioscience and Bioengineering.**
- 5) **Expand city sponsorship budget to include seed money of at least \$250,000 with specific criteria which includes: securing or retaining national, regional and local events that are reoccurring and provide a community benefit and/or economic impact to the city. Identify new funding sources such as the Arizona Cardinals facility revenue and grants and dedicate these funds to invest in amateur athletics and other activities which generate tourism.**
- 6) **Create a Community Organizing Committee to research, identify and secure recurring signature events which result in economic impact to Tempe.** Include representatives from the city, Tempe Convention and Visitors Bureau, the Downtown Tempe Community, Tempe Chamber, Arizona State University, Amateur Athletic Union, Tempe Diablos, Tempe Community Council, local high schools and the Tempe Sports Authority. Develop a work plan which includes preparing a comprehensive list of key contacts for scientific conferences, sports organizations, event producers and existing event venues. Involve local businesses/vendors to enhance their benefit from Tempe’s events.

**Differentiate Tempe
as an event leader
by capitalizing on
Tempe’s unique
venues.**

Long term strategies

- Pursue amateur athletic tournaments to be played at a new athletic facility (as previously referenced). Amateur athletics, especially youth events, are immune to a downturn in the economy and offer a year-round opportunity to generate business for Tempe.
- Pursue Bio-related conferences and other national conferences to be held at a new hotel/conference facility (as previously referenced).

Key #3 Image

Develop Tempe's image as a vibrant, energetic and creative community by enhancing its physical appearance through preservation and responsible redevelopment.

Tempe is an active, vibrant community which must concentrate on what makes it unique and authentic in order to differentiate itself.

Dr. Lattie Coor, Center for the Future of Arizona, emphasized this point to the task force. Referencing The Memphis Manifesto, a document produced at a summit of 100 community leaders from the United States and Puerto Rico, "a creative community must learn to be authentic... to identify the value you add and focus on those assets where you can be unique. Dare to be different." In line with this thinking, Arizona State University and Tempe should continually identify ways to work together to position Tempe as a magnet for learning and innovation, creating an environment that attracts skilled knowledge and industry professionals.

Mary Jo Waits of ASU's Morrison Institute on Public Policy contributed additional insight as she explained critical characteristics that identify a place. According to Waits, "Research shows that people are drawn to attributes they desire...a live music scene, diversity in restaurants, lively activities in which to participate...Not just spectate."

For Tempe to enhance its destination status, it is imperative that Tempe position itself as a place with arts and culture and live music as well as a place for unique and energetic events; a place which blends new development with historic preservation and community revitalization. Tempe must also be a leader in public transit.

Action items

- 1) **Investigate options to "memorialize" and preserve Tempe's landmark, Hayden Mill, and return it to a productive property.** While these options are being considered, the first step is to aesthetically improve the Mill to create a visually appealing entry to the city. The Mill is a historically significant and a vital icon of our

identity. Yet, in its current condition, it is an eyesore. The Mill is currently the most important property in terms of Tempe's continued success for revitalization as it is the vital link and the "missing connection" between Mill Avenue and Town Lake. Transforming this property back into an active part of the community will add greatly to the downtown and lakeside atmosphere.

- 2) **Partner with ASU in creating a "signature gateway" at Mill Avenue and University Drive.** The university campus is ambiguous. There are no grand entrances announcing the university. Its physical presence is often non-existent to those visiting or traveling through Tempe.
- 3) **Improve appearance of closed storefronts and decaying strip centers through:**
 - establishment of consistent guidelines for business owners
 - use of green paint during construction
 - the displaying of art in windows (ASU students, faculty, local schools)
 - the display of other merchants' goods in window
 - the addition of graphics or a mural

Long term strategies

- Continue Apache Boulevard redevelopment efforts.
- Re-invest in neighborhoods through a systematic neighborhood analysis, using a resident process of community-based involvement. As Tempe neighborhoods continue to age, reinvestment must occur. Just as Downtown Mill Avenue must continue to evolve, so must our neighborhoods with improved streetscapes, lighting and renovated open spaces and recreational facilities.
- Create/attract more public art to enhance Tempe's image as a lively, creative place.
- Work with neighboring cities to clean up arterials and create signature gateways at Tempe's major points of entry.

**Dare to be
different! Create a
place which is
lively, energetic,
and authentic.**

Key #4 Communication

Position Tempe as a welcoming destination through the development of coordinated communications for consistent marketing of Tempe information.

Although there is already some communication among Tempe associations and advocacy groups, there is an opportunity for more coordinated and consistent efforts when inviting visitors and groups to our community. Tempe must deliver consistent messages when marketing itself to potential event producers, companies looking to locate in the region and potential tourists.

Further, the downtown business community, Arizona State University and the city must improve coordination and publicity of signature events and information sharing with regard to facility space to increase the success of events and benefits to local businesses, students and the community.

Action items

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| <p>1) Include Papago Salado Association in meetings with the city, Tempe Convention and Visitors Bureau, Arizona State University, Tempe Chamber and the Downtown Tempe Community, which regularly convene to review programs and coordinate communication.</p> <p>2) Where feasible, develop integrated marketing campaigns, highlighting Tempe's key assets and coordinating messages and materials, including website linkages between all key organizations.</p> <p>3) Develop coordinated, comprehensive communications template to inform stakeholders of details of major community events. By providing early information to merchants and other key stakeholders of upcoming events, there is an opportunity to capture business by offering targeted promotions.</p> <p>4) Effectively use existing communication resources (such as ASU Insight, State Press and Tempe Downtowner) to provide regular, ongoing information to students, faculty, businesses and residents.</p> | <p>Consistent, coordinated communication creates stakeholder ownership.</p> |
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Long term strategy

- Capitalize on Tempe's architectural diversity by recognizing and branding structures (such as the Law Library, Gammage Auditorium and the new Arts Center once completed). Position these amenities as signature icons of Tempe, connected to the downtown, the community and to each other.

Key #5 Incentive

Adopt new policies that provide incentives to encourage creative development; enhance signature events; and attract innovative businesses to Tempe.

Tempe must ensure that its public policies and administrative procedures are reflective of and responsive to changing markets. Tempe must become more competitive in terms of business recruitment and retention. We need new incentive tools to rehabilitate aging retail centers and more creative and flexible building codes that will allow for more adaptive reuses as markets continue to change and Tempe continues to evolve into a more dense urban environment. Tempe's dependency on sales tax demands that we continue to focus on growing this economic base through multiple strategies that attract retailers to Tempe and assist them to be successful. And finally, the city must proactively work with Arizona State University, the Biodesign Institute and the T Gen Institute to attract new bio related businesses to Tempe.

Action items

(Creative Development/Redevelopment)

- 1) Support efforts to implement zoning revisions.**
- 2) Create incentives for owners to creatively rehabilitate and upgrade their properties.**
- 3) Offer incentives for developers to use distinctive architecture.**
- 4) Develop retail incentive criteria for high vacancy projects/centers.**

(Signature Events)

- 1) Document specific criteria that define and govern signature events, and establish a fee structure that supports the city's investment.**
- 2) Develop new options for alcohol setup/distribution at large events. Consider adding wine sales to add a more sophisticated tone to events such as Ballet Arizona performances.**
- 3) Evaluate the downtown pattern of traffic use with the DTC, refine model and process for road closures.**
- 4) Promote downtown parking and shuttle options available for both events and day-to-day use.**

- 5) Re-evaluate the city's policy that requires the consistent use of beer gardens at all Tempe Beach Park events.
- 6) Set up a committee of event organizers to work with the city to identify how beer and wine sales could be more user friendly while maintaining public safety.
- 7) Work with ASU and local schools to establish consistent costs and policies for facility use.

(Innovative Businesses)

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| <ol style="list-style-type: none"> 1) Elevate Tempe's profile in the biotech field by committing financial resources to support and attract these types of businesses. 2) Add a dedicated staff member to focus on economic development opportunities in biotech. 3) Support tech transfer legislation that gives universities an equity position in spin-off companies. 4) Promote interaction between Arizona Technology Enterprises and the city's Economic Development Office to facilitate spin-off companies locating in Tempe. 5) Promote interaction between existing Tempe companies and Arizona State University to build strong research partnerships. 6) Obtain a New Market Tax Credit allocation to facilitate development of small businesses and creation of new businesses in Tempe. | <p>Invest in human resources.
Develop innovative strategies and policy flexibility to enhance Tempe's appeal as a destination.</p> |
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Long term strategies

- Develop a working relationship between Tempe's Economic Development Staff and ASU's Small Business Development Center to facilitate the growth of all types (retail, industrial, technology-related, etc.) of small businesses in Tempe.
- Support a retail strategy which emphasizes a diverse mixture of retail, giving Tempe a "differential advantage" in retail development.

Conclusion

It has been said that, “there are essentially three kinds of people... those who make things happen, those who watch things happen and those who wonder what happened.” Tempe is a city in which people make things happen. Tempe has differentiated itself as a city that anticipates change and prepares for it.

So, why will people come to Tempe 10 years from now? Tempe has created a unique urban destination within a desert metropolis. From the shores of Town Lake to the neighborhoods and retail centers, Tempe has invested its resources wisely in people, programs, and policies to secure its position as a “must see” place.

People will come to Tempe to be a part of that place which appeals to the scientist and the sports enthusiast, the musician and the artist, the student, the entrepreneur and the family.

People will come because Tempe made the commitment to be much more than a place that people “stumble upon.” Tempe made the commitment to be a destination that visitors and business travelers choose because it is unique, authentic, vibrant, energetic and welcoming.

**People will come
because... Tempe
is unique,
authentic,
energetic, and
welcoming!**

**DESTINATION TEMPE! TASK FORCE MEMBERS
APPENDIX A**

Stephanie Nowack, Chair
President and CEO
Tempe Convention & Visitors Bureau

Debbie Abele
Executive Director
Papago Salado Association, Inc.

Karen Churchard
Owner
KC Productions

Tom Collins
Senior Associate Athletic Director
Arizona State University

Denise Hart
Marketing Director
Arizona Mills

Sherry Henry
General Manager
Fiesta Inn

Colleen Jennings-Roggensack
Executive Director, Public Events
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Jonathan Jones
Chairman of the Board,
Tempe Convention & Visitors Bureau,
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Ken Koziol
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Tom Kreitler
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Tempe Chamber of Commerce,
General Manager, Holiday Inn

Jeana Sisson
National Sales Representative
America West Airlines

Ken McKenzie
Board Member,
Downtown Tempe Community,
General Manager, Tempe Mission Palms

Michael Martin
Executive Vice President
Tempe Convention & Visitors Bureau

Mary Ann Miller
President and CEO
Tempe Chamber of Commerce

Tamera Norwood
Corporate Leasing
Arizona Mills

Lorraine Oglesby
Assistant Treasurer
Community Relations and Events Officer
Chase Bank

Rich Ripley
Owner, Ripper Events/
Block Party Director, Fiesta Bowl

Jackie Thompson
Chair, Tempe Chamber and
Area Market Manager, Southwest Airlines

Rosemary Walsh
Marketing Director
Childsplay

Brad Wilde
Partner
M & B Capital Group, L. L. C.

CITY PROFESSIONAL STAFF

Chris Anaradian

Rio Salado Manager
Economic Development

Kris Baxter

Community Relations Coordinator
Economic Development

Travis Dray

Special Events Manager
Community Services Department

Jan Schaefer

Manager
Economic Development

Steve Zastrow

Mayor's Chief of Staff
Office of the Mayor

**DESTINATION TEMPE! GUEST SPEAKERS
APPENDIX B**

Kathy Christensen

Owner
Christensen and Associates Meeting
Planners

Marie Mack

Executive Vice President of Business
Development
Phoenix Zoo

Scott Cole

Deputy Executive Vice President for
University Services
Arizona State University

Michael Reed

Director of Cultural Participation
Arizona State University Public Events

Dr. Lattie Coor

Director
Center for the Future of Arizona

Mark Richwine

Deputy Community Service Manager
City of Tempe Parks and Recreation

Grady Gammage

Partner
Gammage & Burnham

Tom Rogers

President, Amateur Athletic Union and
Manager, Phoenix Suns Athletic Club

Dr. Ruth Jones

Vice Provost for Academic Programs
Arizona State University

Jim Rund

Vice President Undergraduate Initiatives
Arizona State University

Barb Kimbrough

Regional Manager
Edward Jones

Tye Thede

Director, Special Events
Arizona State University

Randy Levin

Senior Project Manager
SUNCOR

Ralph Tranter

Chief of Police
City of Tempe

Dick Love

Chief Operations Officer
TGen

Mary Jo Waits

Associate Director
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